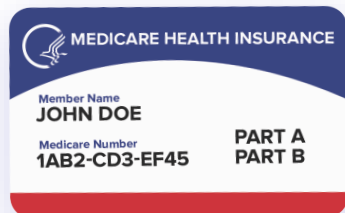


UNDERSTANDING MEDICARE



WHAT IS **MEDICARE?**

Medicare is an insurance program provided by the U.S. government to citizens who meet certain requirements.

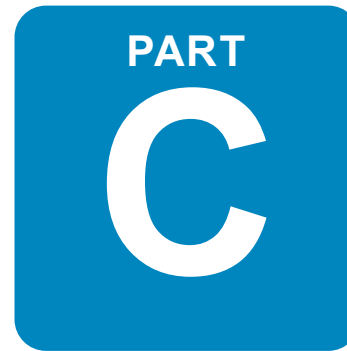
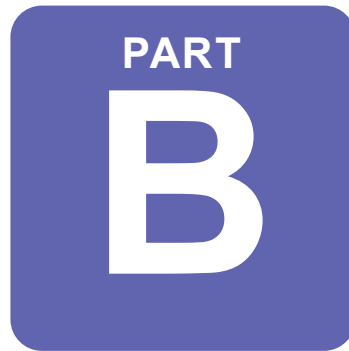
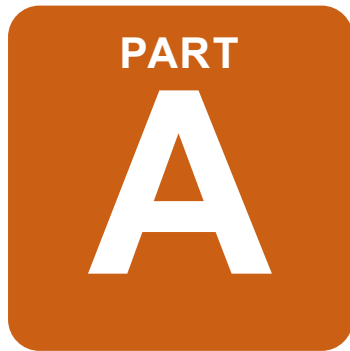
TODAY'S TOPICS

This event is intended as a general overview of Medicare and is for educational purposes only.

- The Four Parts of Medicare
- Original Medicare vs Medicare Advantage
- Plan Options
- Next Steps

The **Four Parts** of Medicare

MEDICARE HAS FOUR PARTS

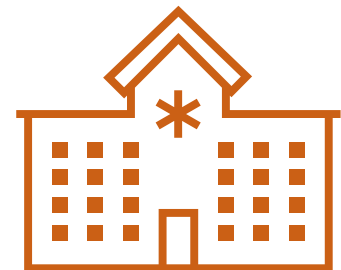




Covers Hospital Insurance

- Inpatient hospital care
- Skilled nursing care
- Hospice care
- Some home health care

For most, it is not necessary to pay a monthly premium for coverage. You will have out-of-pocket costs for your hospital stay, such as deductibles and coinsurance.



HOSPITAL CARE



Covers Medical Insurance

- Doctor visits
- Lab tests
- Medical equipment
- Outpatient services and some preventive services

There are additional costs, such as a monthly premium, annual deductible, and coinsurance you must pay.



MEDICAL CARE



Part A & Part B are called **Original Medicare** and are provided by the U.S. government.



You can enroll to receive Medicare health insurance benefits from the U.S. government if you are:

- A citizen or permanent resident of the U.S.
- Age 65 or older
- Under age 65 with certain disabilities
- Any age with End-Stage Renal Disease (ESRD) (permanent kidney failure requiring dialysis or a kidney transplant) or amyotrophic lateral sclerosis (ALS, also called Lou Gehrig's disease)



Can be bought from private insurance companies.
It is called **Medicare Advantage**.



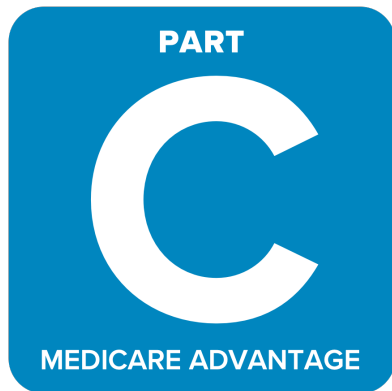
HOSPITAL CARE



MEDICAL CARE



PRESCRIPTION
DRUGS

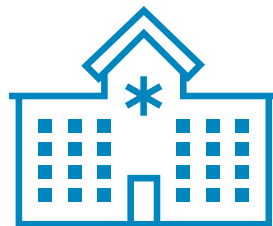


Part C **combines Parts A and B** and may even offer prescription drug coverage.

Part C can include additional benefits such as:

- Eye care
- Hearing
- Dental
- Wellness services or nurse phone line access.

Medicare Advantage plans have predictable costs with set co-pays and out-of-pocket cost limits.



HOSPITAL CARE



MEDICAL CARE



PRESCRIPTION
DRUGS



You can buy a Medicare Advantage Plan (Part C) if you:

- Are enrolled in Parts A and B
- Live in the plan's service area



HOSPITAL CARE



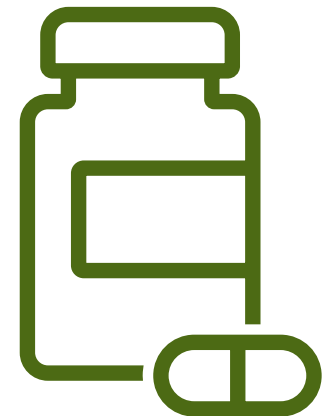
MEDICAL CARE



PRESCRIPTION
DRUGS



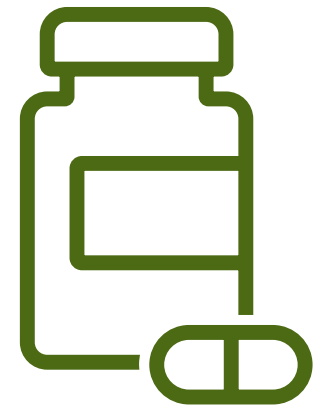
Part D is **prescription drug coverage** that can be bought from Medicare- approved private insurance companies.





PART D: May be purchased as stand-alone insurance in addition to Original Medicare Parts A & B or as part of a Medicare Advantage plan with Part D prescription drug coverage (MAPD).

Part D may have deductibles and co-pays and/or coinsurance based on tier levels. Premiums can vary greatly.



**Provided
by U.S.
Government**



**Bought
from
Private
Insurance
Providers**

Original Medicare **VS.** Medicare Advantage

Why might Original Medicare (Parts A & B)
not be enough to cover your health
insurance needs?

Basic Original Medicare by itself is **just a starting point.**

It covers doctor visits and hospital stays, but it only pays about **80 percent** of your healthcare costs.



Basic Original Medicare does **not cover...**



DENTAL



VISION



HEARING




WELLNESS



FITNESS PROGRAMS

**Medicare
Advantage
plans (Part C)**
support your entire
well-being so you
can live a better,
healthier life with
just one plan.

	Original Medicare	Medicare Advantage
	+	+
	+	+
		+
		+

Medicare Plan Options

There are **Two Medicare Plan Options** You Can Take

OPTION #1

ORIGINAL MEDICARE

Part A: Hospital Insurance

Part B: Medical Insurance

Part D: Prescription Drug Plan
(if you buy it)

Supplemental Insurance
(if you buy it)

OPTION #2

MEDICARE ADVANTAGE

Combines Part A:
Hospital Insurance and

Part B: Medical Insurance.
It also often includes
a prescription drug plan.

Part D: Prescription Drug Plan
*(If you join a Medicare Advantage Plan that
doesn't have drug coverage, in most cases,
you won't be able to add a separate drug
plan.)*

There are **Two Medicare Plan Options** You Can Take

OPTION #1

ORIGINAL MEDICARE

Part A: Hospital Insurance

Part B: Medical Insurance

Part D: Prescription Drug Plan
(if you buy it)

Supplemental Insurance
(if you buy it)

OPTION #2

MEDICARE ADVANTAGE

When you choose Path #1: With original Medicare, in addition to your monthly premiums for Part B, you are responsible for paying for deductibles, copayments, and coinsurance.

Part D: Prescription Drug Plan
(You can buy it if it is not included in the Medicare Advantage plan.)

Part A Premiums

- Most people don't pay a monthly premium for Part A
- If you buy Part A, you could pay up to **\$499** each month in 2022.
- If you paid Medicare taxes for **less than 30 quarters**, the standard Part A premium is \$499.
- If you **paid Medicare taxes for 30-39 quarters**, the standard Part A premium is \$274.

Part A deductibles, copayments, and coinsurance



Hospital Inpatient Stay

- \$1,556 deductible for each benefit period.
- Days 1–60: \$0 coinsurance for each benefit period.
- Days 61–90: \$389 coinsurance per day of each benefit period.
- Days 91 and beyond: \$778 coinsurance per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime).
- Beyond lifetime reserve days: all costs.



Hospice Care

- \$0 for hospice care.
- You may need to pay a copayment of no more than \$5 for each prescription drug and other similar products for pain relief and symptom control while you're at home. You may need to pay 5% of the Medicare-approved amount for inpatient respite care .
- Medicare doesn't cover room and board when you get hospice care in your home or another facility where you live (like a nursing home).

Part A deductibles, copayments, and coinsurance



Home Health Care

- \$0 for home healthcare services.
- 20% of the Medicare-approved amount for Durable Medical Equipment (DME).



Skilled Nursing Facility Stay

- Days 1–20: \$0 for each benefit period .
- Days 21–100: \$194.50 coinsurance per day of each benefit period.
- Days 101 and beyond: All costs.



Mental Health Inpatient Stay

- \$1,556 deductible for each benefit period.
- Days 1–60: \$0 coinsurance per day of each benefit period.
- Days 61–90: \$389 coinsurance per day of each benefit period.
- Days 91 and beyond: \$778 coinsurance per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime).
- Beyond lifetime reserve days: All costs.
- 20% of the Medicare-approved amount for mental health services you get from doctors and other providers while you're a hospital inpatient.

Part B Premiums

IF YOUR YEARLY INCOME IN 2020 (FOR WHAT YOU PAY IN 2022) WAS			YOU PAY EACH MONTH (IN 2022)
File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	
\$91,000 or less	\$182,000 or less	\$91,000 or less	\$170.10
above \$91,000 up to \$114,000	above \$182,000 up to \$228,000	Not applicable	\$238.10
above \$114,000 up to \$142,000	above \$228,000 up to \$284,000	Not applicable	\$340.20
above \$142,000 up to \$170,000	above \$284,000 up to \$340,000	Not applicable	\$442.30
above \$170,000 and less than \$500,000	above \$340,000 and less than \$750,000	above \$91,000 and less than \$409,000	\$544.30
\$500,000 or above	\$750,000 and above	\$409,000 and above	\$578.30

Part B deductibles, copayments, and coinsurance

In 2022, you pay **\$233** for your Part B deductible. After you meet your deductible for the year, you typically pay 20% of the Medicare-approved amount for these:

- Most doctor services (including most doctor services while you're a hospital inpatient)
- Outpatient therapy
- Durable Medical Equipment (DME)
- Clinical laboratory services: **You pay \$0 for Medicare-approved services.**

Part B deductibles, copayments, and coinsurance



Home Health Services

- \$0 for home health care services.
- 20% of the Medicare-approved amount for durable medical equipment (dme).



Medical and Other Services

- You pay 20% of the Medicare-approved amount for most doctor services (including most doctor services while you're a hospital inpatient), outpatient therapy, and Durable Medical Equipment (DME) .



Outpatient Hospital Services

- You usually pay 20% of the Medicare-approved amount for the doctor or other health care provider's services.
- In addition to the amount you pay the doctor, you'll also usually pay the hospital a copayment for each service you get in a hospital outpatient setting, except for certain preventive services that don't have a copayment.
- The Part B deductible applies, except for certain preventive services. If you get hospital outpatient services in a critical access hospital, your copayment may be higher and may exceed the Part A hospital stay deductible.

Part B deductibles, copayments, and coinsurance



Outpatient Mental Health Services

- You pay nothing for your yearly depression screening when utilizing a Medicare approved Provider.
- 20% of the Medicare-approved amount for visits to your doctor or other healthcare provider to diagnose or treat your condition. The Part B deductible applies.
- If you get your services in a hospital outpatient clinic or hospital outpatient department, you may have to pay an additional copayment or coinsurance amount to the hospital.



Partial Hospitalization Mental Health Services

- You pay a percentage of the Medicare-approved amount for each service when utilizing a Medicare approved Provider. You also pay coinsurance for each day of partial hospitalization services you get in a hospital outpatient setting or community mental health center, and the Part B deductible applies.

Part D Premiums

IF YOUR FILING STATUS AND YEARLY INCOME IN 2020 WAS			YOU PAY EACH MONTH (IN 2022)
File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	
\$91,000 or less	\$182,000 or less	\$91,000 or less	your plan premium
above \$91,000 up to \$114,000	above \$182,000 up to \$228,000	not applicable	\$12.40 + your plan premium
above \$114,000 up to \$142,000	above \$228,000 up to \$284,000	not applicable	\$32.10 + your plan premium
above \$142,000 up to \$170,000	above \$284,000 up to \$340,000	not applicable	\$51.70 + your plan premium
above \$170,000 and less than \$500,000	above \$340,000 and less than \$750,000	above \$91,000 and less than \$409,000	\$71.30 + your plan premium
\$500,000 or above	\$750,000 and above	\$409,000 and above	\$77.90 + your plan premium

Part D Deductibles, copayments, and coinsurance

The amount you pay for Part D deductibles, copayments, and/or coinsurance varies by plan.

- Look for specific Medicare **drug plan costs**.
- Then **contact the provider** of the plan you are interested in to get more details.

Part D Late Enrollment Penalty

You may owe a late enrollment penalty if, for any continuous period of 63 days or more after your Initial Enrollment Period is over, you go without one of these:

- A Medicare Prescription Drug Plan (Part D)
- A Medicare Advantage Plan (Part C) (like an HMO or PPO) or another Medicare health plan that offers Medicare prescription drug coverage
- Creditable Prescription Drug Coverage
- In general, you'll have to pay this penalty for as long as you have a Medicare drug plan. The cost of the late enrollment penalty depends on how long you went without Part D or creditable prescription drug coverage.

What is **Supplemental Insurance**?

- Supplemental Insurance **helps cover the gaps** of what Original Medicare doesn't cover — such as portions of coinsurance, copayments, and deductibles.
- It is sometimes called Med Supp or Medigap.
- Supplemental Insurance is **health insurance policies sold by private insurance companies**.



There are **Two Medicare Plan Options** You Can Take

PATH #1

MEDICARE ORIGINAL

When you choose Path #2: Many Medicare Advantage Plans have a \$0 premium. If you enroll in a plan that does charge a premium, you pay this in addition to the Part B premium. Some plans pay all or part of your Part B premium as well.

(if you buy it)

OPTION #2

MEDICARE ADVANTAGE

Combines Part A: Hospital Insurance and

Part B: Medical Insurance.
It also often includes a prescription drug plan.

Part D: Prescription Drug Plan
(If you join a Medicare Advantage Plan that doesn't have drug coverage, in most cases, you won't be able to add a separate drug plan.)

The Basics



Medicare pays Advantage plans a predetermined amount every month to provide care to Advantage plan members. Plans **must** follow Medicare's rules.

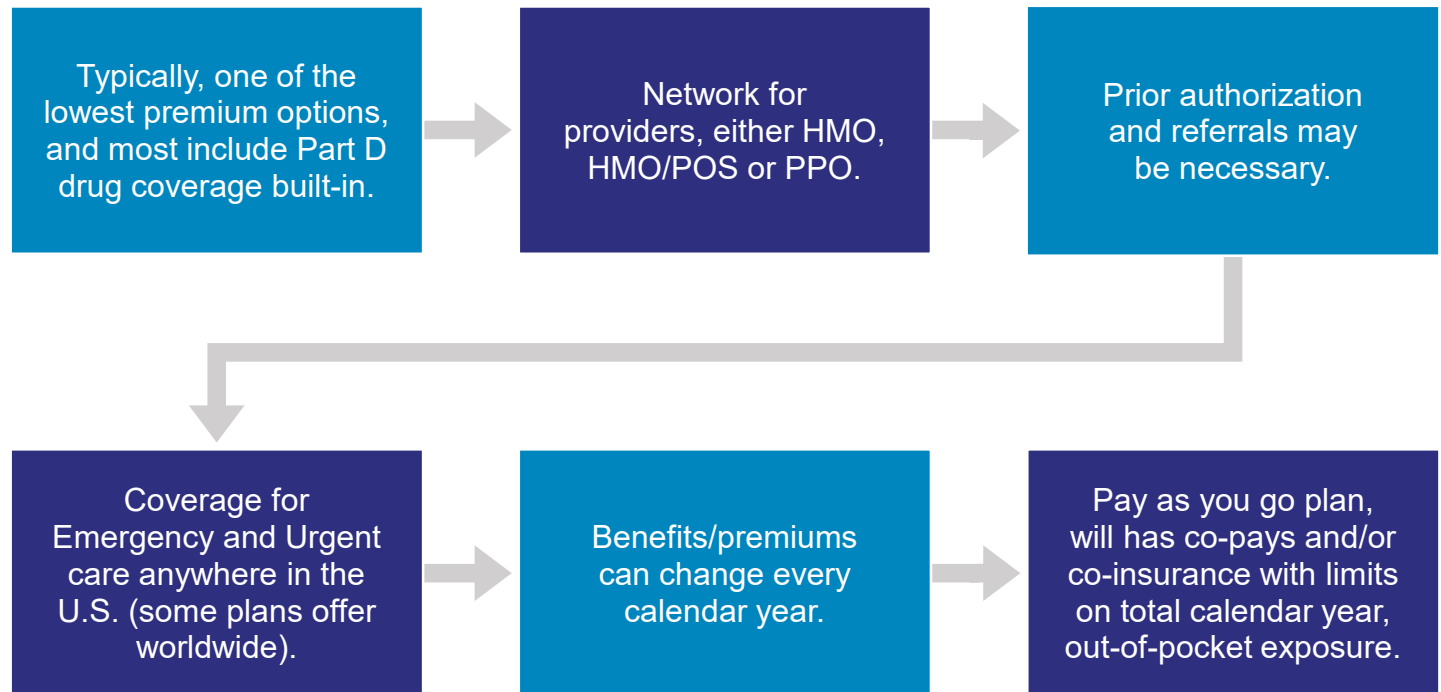


For billing purposes, your **Medicare Advantage card** is used in place of your Medicare card and is the only card you present to providers. Keep your Original Medicare Red White and Blue card at home.



You can **change Medicare Advantage plan companies** every Annual Open Enrollment period with no health questions or pre-existing conditions.

The Basics



Maximum Out of Pocket Protection!

You have **two provider options** when choosing Medicare Advantage Plan

PROVIDER #1

HEALTH MAINTENANCE ORGANIZATION (HMO)

You'll use doctors in the network.

You may need a referral
to see a specialist.

Usually \$0 Monthly Premium

Co-pays/Coinsurance \$0
to see your Primary Care
Provider on most HMOs

PROVIDER #2

PREFERRED PROVIDER ORGANIZATION (PPO)

You can use doctors
and hospitals outside
of the network, but often
you'll pay a higher copay.

Vary in Price: \$0-\$150 or more

Cost Comparison

ORIGINAL MEDICARE	
Part B Premium	\$170.10
Med Sup Plan G Premium	\$130.00 *every plan amount varies
Part D Premium	\$33.37 (national average)
Monthly Total	\$333.47

MEDICARE ADVANTAGE	
Part B Premium	\$170.10
Med Adv Premium	\$0 *every plan amount varies
Part D Premium	\$0.00
Monthly Total	\$170.10

Next Steps

Step 1

Enroll in Medicare Part A
and Part B when you
are first eligible.

If you are getting Social Security when you turn 65,
you will automatically be enrolled.

If you're not getting Social Security when you turn 65,
you'll need to sign up. Contact Social Security three
months before you turn 65.

If you worked for a railroad,
contact the Railroad Retirement Board.

Note: People on social security disability will automatically be enrolled in their 25th month of disability.

When can I enroll in Part A & Part B?

It's a seven-month window. It includes the three months before you turn 65, your birthday month, and the three months after your 65th birthday.

What if I don't enroll when I am first eligible?

You may have to pay a penalty in the form of a higher premium for Part B and Part D.

Step 2

Choose a Path

OPTION #1

**Keep Original
Medicare and add:**
+ Medicare Part D
+ Medicare supplement
insurance

OPTION #2

**Enroll in a Medicare
Advantage Plan**
This combines Medicare
Parts A & B and often
Part D. It also adds
additional benefits.

When can I first enroll in Parts C and D?

It's the same “seven-month window” as Part B.

It includes the three months before you turn 65, your birthday month, and the three months after your 65th birthday.

Are there other times I can enroll in Parts C and D?

From October 15 to December 7,
all people with Medicare can change
their healthcare plans.

You can switch to Medicare Advantage
during this Open Enrollment period, join
a Medicare Prescription Drug Plan or
change plans.

NOTE: If you are late in signing up for Part D, you may face a late enrollment penalty.
It increases based on each month that you delay. **This can get costly!**

You can also enroll in Parts C and D during a “special enrollment period” for special circumstances such as:



Losing your employer coverage



Moving to a new service area



Being assigned to a Medicare Prescription Drug plan by the government when approved for Low Income Subsidy also known as Extra Help.

When can I enroll in a Medicare supplement plan?

In most states, it's a six-month window that starts when you turn 65 and enroll in Part B.

What if I delay enrollment?

You may join any plan. You can't be denied coverage due to a pre-existing condition if you enroll during open enrollment. You may be denied coverage for a pre-existing condition if you miss the enrollment period and try to apply later.

Q&A

THANK YOU FOR YOUR TIME.

Community Health Choice Texas, Inc. is a Medicare Advantage organization with a Medicare contract and a contract with the State Medicaid Program. Enrollment in our plans depends on contract renewal.

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